Joint Committee on Taxation
JCX-5-89
April 7, 1989

PRELIMINARY ESTIMATES OF THE REVENUE EFFECTS OF PERMANENTLY EXTENDING VARIOUS EXPIRING TAX PROVISIONS

Fiscal Years 1990-1994

[Millions of Dollars]

	Provision	Code Section	Expiration	1990	1991	1992	1993	1994	1990-94
1.	Employer-provided education assistance	Sec. 127	12/31/88	-497	-316	-331	-345	-358	-1,847
2.	Group legal services	Sec. 120	12/31/88	-171	-112	-117	-123	-129	-652
3.	Targeted jobs credit	Sec. 51	12/31/89	-74	-210	-313	-377	-425	-1,399
4.	Research and experimentation credit	Sec. 41	12/31/89	-387	-688	-963	-1,150	-1,379	-4,567
5.	Research and experimentation cost allocation rules	Sec. 861	*	-1,275	-652	-708	-772	-837	-4,244
6.	Business energy credits (solar, geothermal, ocean thermal)	Sec. 46	12/31/89	-56	-81	-51	-38	-40	-266
7.	2-percent floor on miscellaneous itemized deductions for regulated investment companies (1)	Sec. 67	12/31/89	-55	-377	-453	-544	-652	-2,081
8.	Mortgage revenue bonds	Sec. 143	12/31/89	-11	-55	-128	-205	-269	-668
9.	Small-issue manufacturing bonds	Sec. 144	12/31/89	-7	-39	-87	-138	-192	-463
10.	Low-income housing credit	Sec. 42	12/31/89	-75	-306	-630	-1,002	-1,388	-3,401
11.	Health insurance for self-employed	Sec. 162	12/31/89	-244	-411	-473	-544	-626	-2,298
12.	ESOP exception to early distribution tax	Sec. 72	12/31/89	-10	-21	-23	-25	-28	-107
13.	FSLIC and FDIC special tax provisions (2)	Secs. 368, 382, & 597	12/31/89	-145	-282	-343	-403	-408	-1,581
GRAND TOTALS				-3,007	-3,550	-4,620	-5,666	-6,731	-23,574

NOTE: Estimates assume legislation enactment date of October 1, 1989.

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* Rules expire four months after start of a firm's first tax year beginning after August 1, 1987.

(1) The revenue estimate assumes that a technical correction will be enacted so that, under present law, exemption from the 2% floor sunsets after 1989.

(2) Assumes Administration's proposal to recapitalize the FSLIC and FDIC is enacted as proposed. Revenue effects only--estimate does not reflect possible outlay savings.

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